

HOUSE BILL 2088
By Briley

AN ACT to amend Chapter 357 of the Public Acts of 2003, as amended by Chapter 959 of the Public Acts of 2004, and Chapter 959 of the Public Acts of 2004, relative to taxation.

WHEREAS, Chapter 357 of the Public Acts of 2003, as amended by Chapter 959 of the Public Acts of 2004, brings Tennessee into conformance with the Streamlined Sales and Use Tax Agreement; and

WHEREAS, converting Tennessee's sales tax system from origin based sourcing to destination based sourcing will require businesses to make substantial changes in tax reporting and accounting procedures; and

WHEREAS, the state and local revenue effects of conformance with the Streamlined Sales and Use Tax Agreement are largely unknown; and

WHEREAS, conformance with the Streamlined Sales and Use Tax Agreement will not, by itself, compel out of state vendors with no physical presence in Tennessee to collect and remit Tennessee's state and local sales and use taxes; and

WHEREAS, Congressional action has not yet been taken on corresponding federal legislation; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Section 82 of Chapter 357 of the Public Acts of 2003, as amended by Section 68 of the Chapter 959 of the Public Acts of 2004, is amended by deleting the date "12:01 a.m. on July 1, 2005" and by substituting instead the date "12:01 a.m. on July 1, 2008".

SECTION 2. Section 70 of Chapter 959 of the Public Acts of 2004, is amended by deleting the date “12:02 a.m. on July 1, 2005” and by substituting instead the date “12:02 a.m. on July 1, 2008”.

SECTION 3. Section 81 of Chapter 357 of the Public Acts of 2003, is amended by deleting the date “on January 1, 2006,” and by substituting instead the date “at 12:03 a.m. on July 1, 2009,”.

SECTION 4. This act shall take effect upon becoming a law, the public welfare requiring it.